

UNITED STATES DEPARTMENT OF AGRICULTURE  
BEFORE THE SECRETARY OF AGRICULTURE

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In re: ) P&S Docket No. D-12-0208  
)  
)  
Hatch Auction, Inc., )  
DBA Cow House Auction, and )  
Raymond L. Hatch, )  
)  
)  
Respondents. ) Consent Decision

This proceeding was instituted under the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. § 181 *et seq.*) (Act), and the regulations promulgated thereunder by the Secretary of Agriculture (9 C.F.R. § 201 *et seq.*), hereinafter referred to as the "regulations" by a Complaint filed by the Deputy Administrator, Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration (GIPSA), United States Department of Agriculture, alleging that the Respondents willfully violated the Act and the regulations promulgated thereunder. Complainant and respondents have now agreed to entry of this Decision, without hearing or further procedure, pursuant to the consent decision provisions of the Rules of Practice Governing Formal Adjudicatory Proceedings Instituted by the Secretary Under Various Statutes (7 C.F.R. § 1.138).

The respondents admit the jurisdictional allegations in paragraph I of the Complaint and specifically admit that the Secretary has jurisdiction in this matter; neither admit nor deny the remaining allegations; waive oral hearing and further procedure; and consent and agree, for the purpose of settling this proceeding and for such purpose only, to the entry of this Decision.

Findings of Fact

(a) Respondent, Hatch Auction, Inc. is a corporation organized under the laws of the State of New Mexico, with its principal place of business located in Kirtland, New Mexico. Its

mailing address is P.O. Box 1489, Fruitland, New Mexico 87416. The corporation's registered agent for service of process is Raymond L. Hatch, P.O. Box 1489, Fruitland, New Mexico 87416.

(b) Respondent, Hatch Auction, Inc. also operates as Cow House Auction.

(c) Respondent, Hatch Auction, Inc., under the direction, management, and control of Respondent Raymond L. Hatch is, and at all times material herein was:

(i) Engaged in the business of conducting and operating an auction market

posted under and subject to the provisions of the Act;

(ii) Engaged in the business of a market agency selling livestock in commerce

on a commission basis; and

(iii) Registered with the Secretary of Agriculture as a market agency to sell

livestock on a commission basis in commerce.

(d) Respondent Raymond L. Hatch is an individual and his business mailing address is P.O. Box 1489, Fruitland, New Mexico 87416.

(e) Respondent Raymond L. Hatch is, and at all times material herein was:

(1) Co-owner of respondent Hatch Auction, Inc.;

(2) Responsible for the day-to-day direction, management and control of respondent Hatch Auction, Inc.;

(3) A market agency within the meaning of that term as defined in the Act and subject to the provisions of the Act; and

(4) The alter ego of respondent Hatch Auction, Inc.

### Conclusions

Respondents having admitted the jurisdictional facts and the parties having agreed to the entry of this Consent Decision, this Consent Decision will be entered.

### Order

Respondent Hatch Auction, Inc., DBA Cow House Auction, its officers, directors, agents and employees, successor and assigns; and respondent Raymond L. Hatch, his agents and employees, directly or through any corporate or other device, in connection with Respondents' activities subject to the Packers and Stockyards Act, shall cease and desist from:

1. Failing to deposit in their custodial account for shippers' proceeds, within the time prescribed by section 201.42 (9 C.F.R. § 201.42), an amount equal to the proceeds receivable from the purchase by respondents and others of livestock consigned to the corporate respondent for sale on a commission basis; and

2. Failing to otherwise maintain their custodial account for shippers' proceeds in conformity with the provisions of section 201.42 of the regulations (9 C.F.R. § 201.42).


Respondents Hatch Auction, Inc., DBA Cow House Auction, and Raymond L. Hatch, their agents and employees, directly or through any corporate or other device, in connection with Respondents' activities subject to the Packers and Stockyards Act, shall cease and desist from failing to keep and maintain records which fully and correctly disclose all the transactions involved in its business as a market agency as required by section 401 of the Act (7 U.S.C. § 221). Specifically, respondents shall keep and maintain all purchase and sale invoices, balance sheets, income statements, monthly reconciliations and all other documents that permit the tracing of all payments made for livestock and that would fully and correctly disclose all transactions involved in their business as a market agency.

Respondent Hatch Auction, Inc., DBA Cow House Auction is suspended as a registrant under the Act for a period of thirty (30) days and thereafter until it demonstrates that the shortage in its Custodial Account for Shippers' Proceeds has been eliminated. When respondent Hatch Auction, Inc., DBA Cow House Auction demonstrates that the shortage in the Custodial Account for Shippers' Proceeds has been eliminated, a supplemental order will be issued in this proceeding terminating the suspension after the expiration of the thirty day period.

The provisions of this Order shall become effective upon service on the Respondents.

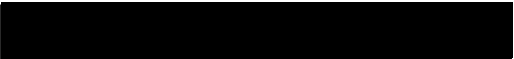
Copies of this Decision and Order shall be served on the parties.

HATCH AUCTION, INC. DBA  
COW HOUSE AUCTION  
Respondent

By:   
RAYMOND L. HATCH  
President

  
RAYMOND L. HATCH  
Respondent

  
WILLIAM T. DENNINGS  
Attorney for Respondents

  
DARLENE M. BOLINGER  
Attorney for Complainant

Issued in Washington, D.C.  
this 10<sup>th</sup> day of April, 2012

  
ADMINISTRATIVE LAW JUDGE